

# NORTON ROSE FULBRIGHT

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July 11, 2016

**Via Federal Express**

Mr. Patrick Ogawa  
Acting Executive Officer, Board of Supervisors  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 383  
Los Angeles, CA 90012

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

40 August 2, 2016

  
LORI GLASGOW  
EXECUTIVE OFFICER

Re: Adopted Resolution of the Board of Trustees of Santa Monica Community College  
District related to November 2016 General Obligation Bond Election

Dear Mr. Ogawa

Enclosed please find an original, adopted Resolution of the Board of Trustees of Santa Monica Community College District Ordering an Election to Authorize the Issuance of General Obligation Bonds, Establishing Specifications of the Election Order, and Requesting Consolidation with Other Elections Occurring On November 8, 2016.

Should you require anything further, please do not hesitate to contact our office.

Very truly yours,

  
Ann La Morena Rohlin

Cc: Don Girard and Charlie Yen, SMCCD (via email)  
Enclosures

## RESOLUTION NO. 2

### RESOLUTION OF THE BOARD OF TRUSTEES OF SANTA MONICA COMMUNITY COLLEGE DISTRICT ORDERING AN ELECTION TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 8, 2016

**WHEREAS**, Santa Monica Community College District (the "**District**") offers local students the highest rate of transfers to four-year universities and preparation for skilled careers, and by repairing and upgrading classrooms and facilities, the District can continue to increase opportunities for local students to earn college credits, certifications and job skills at a reasonable price; and

**WHEREAS**, certain facilities of the District are outdated, deteriorating and require improvements and repairs such as upgrades in wiring/electrical systems and gas and sewer lines, meeting handicapped accessibility and earthquake safety requirements and fixing plumbing and leaky roofs; and

**WHEREAS**, the District wishes to provide additional funding for the improvement, construction, equipping and furnishing of District facilities, to ensure that students have modern, safe and efficient classrooms and indoor and outdoor laboratories and that they have access to technology necessary for them to compete for good careers; and

**WHEREAS**, in the judgment of the Board of Trustees of the District (the "**Board**"), it is advisable to call an election to submit to the electors of the District the question of whether bonds of the District shall be issued and sold for the purpose of funding the construction, reconstruction, rehabilitation and replacement of District facilities, including the furnishing or equipping of District facilities, or the acquisition or lease of real property for District facilities and paying costs incident thereto; and

**WHEREAS**, pursuant to the provisions of Proposition 39, adopted by the voters of the State of California (the "**State**") on November 7, 2000 ("**Proposition 39**"), comprising Article XIII A, Section 1, paragraph (b) of the California Constitution ("**Article XIII A**"), the District may incur bonded indebtedness upon the vote of fifty-five percent (55%) or more of the qualified electors of the District voting on the proposition; and

**WHEREAS**, pursuant to California Education Code ("**Education Code**") Section 15264 *et seq.* (the "**Act**"), the Board is specifically authorized, upon approval by two-thirds (2/3) of the members of the Board, to submit to the electorate of the District the question of whether bonds of the District shall be issued and sold for specified purposes pursuant to paragraph (3) of said subdivision (b) of Section 1 of Article XIII A and subdivision (b) of Section 18 of Article XVI of the California Constitution; and

**WHEREAS**, the Board desires to make certain findings to be applicable to the within election order and to establish compliance with Proposition 39 and the applicable requirements of the Education Code and the Elections Code of the State (the "**Elections Code**"), as further specified herein; and

**WHEREAS**, pursuant to Section 10403 *et seq.* of the Elections Code, the Board now deems it appropriate and necessary to request consolidation of the election authorized hereby (the "**Election**") with any and all other elections to be held on November 8, 2016, and to request the Registrar of Voters (the "**Registrar of Voters**") of the County of Los Angeles (the "**County**") to perform certain election services for the District; and

**WHEREAS**, the proposed Bond Measure (defined below) to be considered at the Election includes requirements for strict accountability, including establishment of a Citizen's Oversight Committee and independent annual financial and performance audits to insure all bond proceeds are used effectively and as promised, with no funds going towards administrator's salaries or pensions;

NOW, THEREFORE, THE BOARD OF TRUSTEES OF SANTA MONICA COMMUNITY COLLEGE DISTRICT HEREBY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS:

**Section 1. Call for Election.** The Board hereby orders an election and submits to the electors of the District the question of whether general obligation bonds of the District shall be issued and sold in one or more series from time to time in the aggregate principal amount not to exceed \$345,000,000 for the purpose of raising money for construction, reconstruction, rehabilitation and replacement of District facilities, including the furnishing or equipping of District facilities, or the acquisition or lease of real property for District facilities and paying costs incident thereto, as set forth more fully in a ballot proposition approved pursuant to Section 4 below.

**Section 2. Order of Election.** This Resolution shall stand as the order to the Registrar of Voters to call the Election within the boundaries of the District on November 8, 2016. The Registrar of Voters is hereby requested, pursuant to Section 5322 of the Education Code, to take all steps to call and hold the Election in accordance with law and these specifications.

**Section 3. Election Date and Consolidation.** The date of the Election shall be November 8, 2016, and the Election shall be held solely within the boundaries of the District. Pursuant to Section 15121 of the Education Code and Part 3 (commencing with Section 10400) of Division 10 of the Elections Code, the Board of Supervisors of the County is requested to order consolidation of the school bond election ordered herein with such other elections as may be held on the same day in the same territory or in territory that is in part the same.

**Section 4. Purpose of Election; Ballot Proposition.** The purpose of the Election shall be for the voters of the District to vote on a proposition, a full copy of which is attached hereto as **Exhibit A** (the "**Bond Measure**"), containing the question of whether the District shall issue the Bonds for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of Section 15272 of the Act. The Registrar of Voters is hereby requested to reprint **Exhibit A** hereof in its entirety in the voter information pamphlet to be distributed to voters. As required by Elections Code Section 13247, the abbreviated form of the Bond Measure to appear on the ballot appears below and is attached hereto as **Exhibit B**:

**"SANTA MONICA COLLEGE CLASSROOM REPAIR, CAREER TRAINING, HIGHER EDUCATION ACCESS MEASURE. To improve local access to affordable higher education for high school graduates/ adults/ veterans; improve education/ career training in math, science, writing, arts, business; shall Santa Monica Community College District issue \$345,000,000 in bonds at legal rates, with citizens oversight/ annual audits, to repair, upgrade, construct, modernize, equip facilities for technology, science/ biotech, college readiness; repair aging, leaky classrooms, remove asbestos, upgrade disabled access, seismic and campus safety?"**

The District's Superintendent/President, Vice President, Business/Administration (or any of their respective designees) is hereby authorized and directed to make any changes to the text of the proposition or its abbreviated form as required to comply with the intent of this Resolution, the requirements of election officials, and requirements of law.

**Section 5.      The Bonds.** (i) The maturity of any bonds issued pursuant to the Bond Measure and under Chapter 1.5, Part 10, Division 1, Title 1 of the Education Code (commencing with Section 15264), as amended, and Article XIII A shall not exceed twenty-five (25) years and shall bear or accrete interest at a rate not to exceed the maximum legal interest rate per annum, and (ii) the maturity of any bonds issued pursuant to the Bond Measure and under Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, as amended, applicable provisions of the Education Code and Article XIII A of the California Constitution shall not exceed forty (40) years, or, in the case of bonds, the interest on which is compounded, twenty-five (25) years, and shall bear or accrete interest at a rate not to exceed the maximum legal interest rate per annum.

**Section 6.      Authority for Election.** The authority for ordering the Election is contained in the Act, Article XIII A, Section 1, paragraph (b), subsection (3) of the California Constitution, and Section 53506 *et seq.* of the California Government Code. The authority for the specification of this election order is contained in Education Code Section 5322.

**Section 7.      School Facilities Projects.** A list of the specific capital projects (the “**Projects**”) to be funded from the proceeds of the Bonds is set forth in **Exhibit A** (the “**Project List**”). As required by Article XIII A, the Board hereby certifies that it has evaluated safety, class-size reduction and information technology needs of the District in developing the list of capital projects set forth in **Exhibit A**. The District understands that the costs of administering the Election, managing construction projects and costs of issuance of the Bonds shall be lawful charges against proceeds of sale of the Bonds.

**Section 8.      Covenants of the Board Upon Approval of the Bonds by the Electorate.** As required by Article XIII A and Section 15278 of the Act, if fifty-five percent (55%) or more of the voters of the District voting on the Bond Measure approve the Bond Measure, the Board shall:

- (a) Use the bond proceeds only for the purposes of construction, reconstruction, rehabilitation, or replacement of District facilities, including the furnishing and equipping of District facilities, or the acquisition or lease of real property for District facilities, as specifically set forth in **Exhibit A**, and not for any other purpose, including teacher and administrator salaries/pensions and other District operating expenses;
- (b) Conduct an annual, independent performance audit to ensure that the Bond proceeds have been expended only on the capital projects listed in **Exhibit A** until all of the Bond proceeds have been expended;
- (c) Conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for capital projects listed in **Exhibit A**;
- (d) Establish and appoint members to an independent citizens’ oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act, which may consist of some or all of the citizens’ oversight committee members currently sitting; and
- (e) Limit the amount of bonds issued pursuant to the Bond Measure so that the tax rate on taxable property located within the District required to repay such bonds will not, based on the District’s reasonable expectations at the date of issuance, exceed \$25 per \$100,000 of assessed value.

**Section 9. Delivery of this Resolution.** The Secretary to this Board is hereby authorized and directed to send or hand-deliver a completed and certified copy of this Resolution to each of the Superintendent of Schools of the County, the Executive Officer-Clerk of the Board of Supervisors of the County and the Registrar of Voters no later than August 12, 2016.

**Section 10. Tax Rate Statement; Ballot Arguments.** Any one of the Superintendent/President of the District, the President of the Board, or their designees, is hereby authorized to execute the Tax Rate Statement attached hereto as **Exhibit C** and any other required documents and to perform all acts necessary to place the Bond Measure on the ballot. The Tax Rate Statement shall be delivered to the Registrar of Voters on or before August 12, 2016. Any member of the Board is hereby authorized to act as an author of or signer to any ballot argument prepared in connection with the Election, including a rebuttal argument.

**Section 11. Consolidation of Election; Election Services.** Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the Registrar of Voters, or other appropriate officials of the County, to render all services necessary in connection with the Election including, but not limited to, publication of a Formal Notice of School Bond Election pursuant to Education Code Section 5363 and related law, the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code), the opportunity to submit ballot arguments in connection with the Election, the canvassing and certification of the returns of the Election, and other ballot requirements pursuant to Education Code Section 15123, for which services the District agrees to reimburse the County as required by law.

**Section 12. Reimbursement of Qualified Project Expenditures.** The Board presently intends and reasonably expects to have tax-exempt obligations (the "**Obligations**") issued on its behalf no later than 18 months of (i) the date of the expenditure of moneys, if any, made with respect to the Projects outlined in the Project List or (ii) the date upon which the Project for which expenditures are to be reimbursed is placed in service or abandoned, whichever is later (but in no event more than 3 years after the date the original expenditure of such moneys is paid), and to allocate an amount of the proceeds thereof not to exceed \$10,000,000 to reimbursable expenditures in connection with the Projects, as may be qualified under the provisions of Section 1.150-2 of the Treasury Regulations of the Internal Revenue Service (the "**Reimbursable Expenditures**"). All of the Reimbursable Expenditures covered by this Section were paid not earlier than 60 days prior to the date of this Resolution or constitute preliminary expenditures within the meaning of Section 1.150-2 of the Treasury Regulations. The Board intends to allocate within 30 days after the date of issue of the Obligations, the proceeds therefrom to reimburse the District for the Reimbursable Expenditures. With respect to the proceeds of the Obligations allocated to reimburse the District for prior expenditures, the Board hereby covenants not to employ an abusive device under Treasury Regulation Section 1.148-10, including using within one year of the reimbursement allocation, the funds corresponding to the proceeds of the Obligations in a manner that results in the creation of replacement proceeds, as defined in Treasury Regulation Section 1.148-1, of the Obligations or another issue of tax-exempt obligations.

The above provisions are made solely for the purpose of establishing compliance with the requirements of said Section 1.150-2 of the Treasury Regulations. This provision does not bind the District or the Board to make any expenditure, incur any indebtedness, or proceed with the financing, acquisition or construction of the Projects.

**Section 13. Bond Counsel.** The Board hereby approves the retention of Norton Rose Fulbright US LLP as bond counsel in connection with the Election and subsequent issuances of bonds thereunder, pursuant to a contract to be entered into by the District.

**Section 14.**     **Effective Date.** This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Trustees of the Santa Monica Community College District at a regular meeting thereof held on the 5th day of July, 2016, at Santa Monica, California, at which a quorum of the Board of Trustees was present and acting throughout, by the following vote.

AYES:                MEMBERS: 7   Susan Aminoff, Nancy Greenstein, Louise Jaffe, Rob Rader,  
Margaret Quiñones-Perez, Barry Snell, Andrew Walzer

NOES:                MEMBERS: 0

ABSENT:            MEMBERS: 0

ABSTAIN:           MEMBERS: 0

  
\_\_\_\_\_  
President of the Board of Trustees

ATTEST:

  
\_\_\_\_\_  
Secretary to the Board of Trustees

## EXHIBIT A

### FULL TEXT BALLOT PROPOSITION OF THE SANTA MONICA COMMUNITY COLLEGE DISTRICT BOND MEASURE ELECTION FOR NOVEMBER 8, 2016

**SANTA MONICA COLLEGE CLASSROOM REPAIR, CAREER TRAINING, HIGHER EDUCATION ACCESS MEASURE.** To improve local access to affordable higher education for high school graduates/ adults/ veterans; improve education/ career training in math, science, writing, arts, business; shall Santa Monica Community College District issue \$345,000,000 in bonds at legal rates, with citizens oversight/ annual audits, to repair, upgrade, construct, modernize, equip facilities for technology, science/ biotech, college readiness; repair aging, leaky classrooms, remove asbestos, upgrade disabled access, seismic and campus safety?

#### PROJECT LIST

The Board of Trustees of the Santa Monica Community College District certifies that it has evaluated the District's urgent and critical capital needs, including school and student safety issues, enrollment trends, class size reduction, overcrowding, energy efficiency and computer technology, seismic safety requirements, and aging, outdated or deteriorating school buildings in developing the scope of projects to be funded. In developing the scope of projects, the District has prioritized the key health and safety and sustainability needs so that the most critical school site needs are addressed. The Board conducted an evaluation at all District sites and received input in developing the scope of projects to be funded. In approving this Project List, the Board of Trustees determines that the District should:

Adhere to specific **COMMUNITY ACCOUNTABILITY** safeguards such as these:

- (a) All bond expenditures are subject to review by a Citizens Oversight Committee which reports to the public, as provided in Education Code Section 15278 *et seq.*
- (b) The District will involve faculty, staff and students in curriculum development at financed facilities throughout the life of the bond construction program.
- (c) The District will provide an opportunity for input from community and neighborhood residents during the development of projects to be funded by this bond measure.
- (d) The District will apply energy-saving and sustainability standards to all repairs and improvements.
- (e) The District will enter into or extend Cooperative Use Agreements with the City of Santa Monica, the City of Malibu and the Santa Monica-Malibu Unified School District in order to make the most efficient use of bond funds whenever feasible.

The Project List includes the following types of projects:

All \$345 million of bond proceeds will be spent within the Cities of Santa Monica and Malibu or at sites that share a boundary and are contiguous with the Cities of Santa Monica or Malibu.

None of the bond proceeds can be taken away by the State of California.

All projects funded by bond proceeds will be available for educational and public uses authorized in this Project List.

Replacement safety and modernization projects were identified by means of an independent facilities assessment. Replacement projects and projects to meet new educational needs have been presented to and approved by the District Board of Trustees and are included as priority items in the District's Capital Improvement Plan on file with the State Chancellor's Office.

The items proposed for financing in whole or in part with the proceeds of the District's general obligation bonds include the following capital projects at any or all District facilities:

- provide facilities, classrooms and/or equipment for career education programs in such fields as nursing, computer technology, new media, early childhood education, business, graphic design and other occupations in more than 80 fields of study;
- development and implementation of facilities master plans and related requirements such as environmental impact reports and soils testing, architectural, engineering and similar planning costs;
- demolition of temporary and/or obsolete and unsafe facilities;
- installation and/or upgrading of emergency lighting, fire alarm and security systems;
- installation, upgrade or repair of roadways, walkways, grounds, parking lots and garages;
- entrance improvements; upgrade facilities to comply with Federal mandated Americans with Disabilities Act (ADA) handicap accessibility requirements and State of California seismic standards;
- signage for safety and public information;
- upgrade and/or construction of new and existing restrooms;
- installation, repair and/or replacement of heating, air conditioning and ventilation systems; upgrade of facilities for energy efficiency and to reduce fire risks;
- repair and replacement of worn-out and leaky roofs, windows, walls, doors and drinking fountains;
- installation of wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs;
- resurfacing or replacing hard courts, turf and irrigation systems and campus landscaping;
- building new and/or renovating existing athletic laboratories and lockers;
- upgrading or replacing inadequate libraries, and administrative spaces;
- installing interior and exterior painting and floor covering; installing covered walkways; construction of various forms of storage and support spaces;
- replacing water and sewer lines and other plumbing systems;



- financing/refinancing of real property leases; financing/refinancing of previously approved bond-financed projects;
- acquiring related furnishings and equipment for all renovation, improvement and/or new and existing construction project components;
- the relocation and/or acquisition of temporary facilities during the renovation, improvement and/or new construction of project components as necessary to maintain education programs in operation during construction;
- acquiring, refinancing and/or entering into arrangements for the use and/or joint use of real property for existing and future classrooms, student services, child care and/or other uses; making site improvements, building infrastructure and/or constructing additional facilities for the purpose of expanding instructional programs to meet future educational demands of District students.

### **SAFETY AND MODERNIZATION PROJECTS**

**Science and Math Extension.** Santa Monica College is renowned for its science and allied health programs; however, the existing labs for Life, Physical and Earth Sciences are at capacity; also, the current facility for the Math Department consists of temporary trailers and lacks the infrastructure for smart classrooms or support for the use of modern technology for instructional use. Consolidating Math and Science programs into a new Science Extension building supports interdisciplinary interaction. The building extension would qualify for up to \$40 million in State funding, which requires a local match. The building will contain an upgraded planetarium and a community lab for all ages, including a nutrition and culinary lab in support of the College's nutrition program.

**Replacement of Temporary Classrooms.** Bond proceeds would be used to replace the 1994 temporary trailer Math Village classroom complex with permanent First Year Experience classrooms, student support study space and instructional support labs. These trailers were rushed into service following the 1994 Northridge Earthquake and have exceeded their time of usable service. Additionally, proceeds would be used to replace the 1984 modular English as a Second Language classroom building. This modular building lacks fire sprinklers, is poorly ventilated and has also exceeded its time of usable service.

**Upgrading, Renovation or Replacement of Two 1950's Buildings.** The 1952 Liberal Arts building has the poorest Facility Condition Index rating on the College's main campus, lacks fire sprinklers and does not have an elevator. The 1952 Letters & Science building has the second poorest Facility Condition Index rating on the main campus, and also lacks both fire sprinklers and an elevator.

**Renovation of Business Building.** The 1981 Business Building is overdue for renovation. The building houses a large number of computer classrooms and labs.

**Replacement of Campus Police Station.** The current police facility is antiquated and undersized. Applying bond proceeds to the replacement, construction, renovation and relocation of the campus police station and including a public space for community and neighborhood use will improve public and campus safety.

**Upgrading, Renovation or Replacement of Art Building.** An upgraded, renovated or newly constructed art structure will replace aging building systems and improve space distribution for the many disciplines within the Art Department. The College is eligible to receive up to \$10 million in State funding for this project, which requires a local match.

**Landscaping/ Water Conservation Improvements and Completing Pico Boulevard Frontage Improvements.** Applying bond proceeds for landscaping improvements, including landscaping improvements to complete the main campus Pico Boulevard frontage, will improve water conservation through water reclamation and installation of drought resistant landscaping.

**Completing Master Plan Improvements at the Santa Monica College Performing Arts Center Campus.** Construction at the Performing Arts Center campus has proceeded in phases, in coordination with available funding. The first phase added the Broad Stage and the Edye Second Space theaters. The second phase has added an East Wing rehearsal hall and music performance labs. The final phase, to be funded from bond proceeds, will include an underground three-level parking structure to replace most of the existing surface parking, along with an above-ground art gallery and green-space plaza. The theaters at the Performing Arts Center are among the most heavily used theaters in Los Angeles County.

**Designing and Installing an Outdoor Classroom.** The design, construction, installation and improvement of a venue for outdoor plays and class lectures.

**Converting Library Interiors.** Conversion of existing Library floor space used for book stacks to construct and install additional student study areas, tutoring and collaborative learning spaces that will support student success.

**Making Environmental Performance Improvements.** Bond funds will be used to upgrade District facilities to achieve energy or resource use efficiency and water conservation and achieve sustainability for District operations.

**Upgrading Technology Infrastructure.** Bond proceeds will be applied to renovate, replace, upgrade, acquire, install and integrate major site, building and utility systems, equipment and related infrastructure, including lighting, electrical, wiring and related infrastructure for modern technology, classroom instructional technology, communications and security technology (including security cameras and monitoring systems), data, voice, public address and audio-visual communication, energy efficiency, management monitoring systems, networks, fixtures, controls and equipment, cable infrastructure, network expansion, wireless access points and other communications and administrative systems.

## **COMMUNITY JOINT USE PROJECTS**

**Providing for a Joint Use Project with the City of Santa Monica.** The College will provide up to \$20 million in bond funds for the expansion of the City of Santa Monica's Memorial Park to accommodate soccer and/or other field sports for use by College students and the general public.

**Providing for a Joint Use Project with the Santa Monica-Malibu Unified School District.** The Johns Adams Middle School Auditorium, adjacent to the College's main campus, has suffered earthquake damage and is no longer in service. The College will make available bond funds as needed to assist the School District in renovating or replacing the auditorium with a seating capacity of approximately 750, for joint use.

**Providing for City of Malibu Infrastructure and Community Educational Facilities.** The College will provide up to \$25 million in funding enhancements to its instructional presence in Malibu in partnership with the City of Malibu.

## **ADDITIONAL CONDITIONS**

The allocation of bond proceeds may be affected by the District's receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District may undertake fewer than all of the projects listed above. Some projects may be undertaken as joint use projects in cooperation with other local public or non-profit agencies.

Necessary site preparation/ restoration may occur in connection with new construction, renovation or remodeling, including ingress and egress, removing, replacing or installing irrigation, storm drain, and utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the costs of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the specific purposes identified herein.

NO ADMINISTRATOR SALARIES. PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF DISTRICT FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND ADMINISTRATOR SALARIES OR PENSIONS OR OTHER OPERATING EXPENSES.

FISCAL ACCOUNTABILITY. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE (EDUCATION CODE SECTION 15278 *ET SEQ.*) TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATIVES OF A *BONA FIDE* TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

## **EXHIBIT B**

### **SHORT FORM OF BOND MEASURE**

**SANTA MONICA COLLEGE CLASSROOM REPAIR, CAREER TRAINING, HIGHER EDUCATION ACCESS MEASURE.** To improve local access to affordable higher education for high school graduates/ adults/ veterans; improve education/ career training in math, science, writing, arts, business; shall Santa Monica Community College District issue \$345,000,000 in bonds at legal rates, with citizens oversight/ annual audits, to repair, upgrade, construct, modernize, equip facilities for technology, science/ biotech, college readiness; repair aging, leaky classrooms, remove asbestos, upgrade disabled access, seismic and campus safety?

**EXHIBIT C**

**TAX RATE STATEMENT CONCERNING MEASURE \_\_**

**TAX RATE STATEMENT  
REGARDING PROPOSED  
\$345,000,000  
SANTA MONICA COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS**

An election will be held in Santa Monica Community College District (the "District") on November 8, 2016, for the purpose of submitting to the electors of the District the question of issuing bonds of the District in the principal amount of \$345 million. If such bonds are authorized and sold, the principal thereof and interest thereon will be payable from the proceeds of taxes levied on the taxable property in the District. The following information regarding tax rates is given to comply with Section 9401 of the California Elections Code. This information is based upon the best estimates and projections presently available from official sources, upon experience within the District and other demonstrable factors.

Based upon the foregoing and projections of the assessed valuations of taxable property in the District, and assuming the entire debt service on the bonds will be paid through property taxation:


1. The best estimate from official sources of the tax rate that would be required to be levied to fund the bond issue during the first fiscal year after the first sale of the bonds, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the District or other demonstrable factors, is \$18 per \$100,000 of assessed valuation of all property to be taxed in the year 2019-20.

2. The best estimate from official sources of the tax rate that would be required to be levied to fund the bond issue during the first fiscal year after the last sale of the bonds and an estimate of the year in which that rate will apply, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the District or other demonstrable factors, is \$25 per \$100,000 of assessed valuation of all property to be taxed in the year 2025-26.

3. The best estimate from official sources of the highest tax rate that would be required to be levied to fund the bond issue and an estimate of the year in which that rate will apply, based on estimated assessed valuations available at the time of the filing of this statement, or on a projection based on experience within the District or other demonstrable factors, is \$25 per \$100,000 of assessed valuation of all property to be taxed in the year 2021-22.

Attention of voters is directed to the fact that the foregoing information is based upon projections and estimates. The actual timing of sales of the bonds and the amount to be sold at any time will be governed by the needs of the District and other factors. The actual interest rates at which the bonds will be sold, which will not exceed the maximum permitted by law, will depend upon the bond market at the time of sale. The actual assessed valuations in future years will depend upon the value of property within the District as determined in the assessment and the equalization process. Therefore, the actual tax rates and the years in which those tax rates will be applicable may vary from those presently estimated and stated above.

The District estimates, based on current assumptions, that total debt service on the bonds would be \$722,483,675.

  
Superintendent/President  
Santa Monica Community College District